



NEWS RELEASE

CALIFORNIA STATE TREASURER PHILIP ANGELIDES

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\$10 Million HealthCAP Program Launched

Funding will boost community health centers – Sacramento site is first to benefit

SACRAMENTO – California State Treasurer Phil Angelides today announced a new \$10 million program to provide needed funding to community health centers. Called HealthCAP, it is a unique public-private partnership between the California Health Facilities Financing Authority (CHFFA), NCB Development Corporation (NCBDC) and Metropolitan Life Corporation (MetLife).

Every one dollar put up by the State will bring \$10 dollars in private funding for below market rate loans to nonprofit healthcare providers including community clinics, adult day health centers, facilities for adults with developmental disabilities, drug and alcohol treatment centers, and children's group homes. The loans will pay for construction, renovations, land acquisition, and equipment purchases for these health centers which serve the uninsured, underinsured, disabled and vulnerable populations.

"At a time when State funds are scarce, we must be strategic about how we spend limited healthcare dollars. HealthCAP truly is a 'smart investment' because every dollar spent by the State will bring \$10 dollars in private lending to help meet the growing, unmet healthcare needs throughout California," said Angelides, who is Chairman of CHFFA. HealthCAP is part of the Treasurer's "Double Bottom Line" initiative, which calls for prudent investments that also strengthen California communities. Since the Treasurer took office in 1999, CHFFA has made loans or grants to over 300 community health clinics.

A Sacramento ribbon-cutting ceremony was held today at the construction site of HealthCAP's first loan recipient, Northern California InAlliance, which provides work and community training, and supported living services, for adults with developmental disabilities. InAlliance received a \$360,000 loan to complete renovations and a new 3,600 square foot building, which will serve over 425 individuals each year.

NCBDC established a \$10 million loan fund for the HealthCAP Program, which is coupled with a \$1 million reserve fund by CHFFA. The reserve fund enables NCBDC to offer affordable loans to the health centers, and through MetLife's participation, lending capacity is expanded even further.

"The partnership between CHFFA, MetLife and NCBDC is a prototype for our strategy to increase access to the capital markets by small, nonprofit borrowers. Through HealthCAP, we are able to utilize our capital and healthcare expertise to offer capital at affordable rates, under flexible terms, for community health centers," said NCBDC President & CEO Terry Simonette.

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NCBDC is a nonprofit financial institution with extensive healthcare experience and a longstanding interest in socially responsible investment. For over 15 years, NCBDC has helped healthcare organizations by offering a variety of loan products to finance facility acquisition, expansion and renovation, purchase new equipment and develop provider networks. Through a unique combination of financial and development services, NCBDC seeks to change the systems for delivering affordable housing, healthcare, education, affordable assisted living, worker ownership and economic and community development to low-income and underserved populations. To learn more about NCBDC, visit its website, www.ncbdc.org.

Attending today's event were the following community leaders and program participants, California State Senator Deborah Ortiz, California State Assemblyman Darrell Steinberg, Secretary Grantland Johnson, Health and Human Services Agency, Sacramento City Councilman Dave Jones, Terry Simonette, President and CEO, NCB Development Corporation, Irving Boykins, Associate Director, Social Investment Program, MetLife and Diana DeRodeff, Executive Director, Northern California InAlliance.

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